GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:1012
ANSWERED ON:29.04.2016
Corporate Debt Restructuring
Rajesh Shri M. B.

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether the Government has undertaken any steps on corporate debt restructuring during the last two years;

(b) if so, the details thereof; and

(c) whether the Government follows a transparent procedure and mechanism for corporate debt restructuring?

Answer

THE MINISTER OF CORPORATE AFFAIRS
(SHRI ARUN JAITLEY)

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(a) to (c):- The Corporate Debt Restructuring (CDR) mechanism is an organizational framework institutionalized for speedy disposal of restructuring proposals of large borrowers availing finance from more than one bank/ Financial Institution (FI). This mechanism is available to all borrowers engaged in any type of activity subject to the following conditions:-

(i) The borrowers enjoy credit facilities from more than one bank/FI under multiple banking/syndication/consortium system of lending.

(ii) The total outstanding (fund-based and non-fund based) exposure is Rs. 10 crore or above.

CDR system in the country has a three tier structure consisting of CDR Standing Forum and its Core Group, CDR Empowered Group and CDR Cell, which are housed in the Industrial Development Bank of India Ltd. Details of cases taken up for consideration by the CDR Cell and their disposal status during the period March 2010 to December 2015 are given in the table at Annexure.
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